

# United States Senate

WASHINGTON, DC 20510

December 20, 2013

President Barack Obama  
The White House  
1600 Pennsylvania Avenue  
Washington, DC 20500

Dear Mr. President:

Thank you for your efforts to consider the impact on businesses as you implement the Affordable Care Act. The law includes many important provisions that will provide meaningful benefits to Americans; however, the rollout of key portions of the law has encountered significant problems. Our goal is to work with you to ensure a full implementation of the law and that the law works well for all Americans, and we are writing to you today specifically on the employer responsibility requirements. We believe it is critically important that the implementation of the requirements be straightforward and easy for small businesses to meet.

The Affordable Care Act requires that businesses with 50 or more full-time equivalent employees provide comprehensive, affordable health coverage. Businesses with fewer than 50 full-time equivalent employees are not required to provide health coverage, but if they choose to do so, those with 25 or fewer employees are eligible for tax credits to make that coverage more affordable. The proposed rules released by your administration last year were overly complex, and if not revised, could impose burdensome reporting requirements on businesses. In particular, we are concerned that small businesses that are clearly exempt from the requirements will find documentation and compliance with the rules to be confusing and complicated. We are also concerned that large businesses that are already in compliance with the employer responsibility requirements may have to develop large, costly reporting systems to demonstrate their compliance with the requirements.

We urge you to work closely with the business community to develop a simplified and straightforward final rule with standards that businesses can easily document and report. Specifically, we encourage you to create a simple safe harbor for the small businesses that clearly have fewer than 50 full-time equivalent employees so that these businesses can easily demonstrate their status. We hope that you will also provide flexibility for large businesses and streamline their reporting processes.

It was the intent of Congress that small businesses with fewer than 50 full-time equivalent employees should be exempt from the employer responsibility requirements; if these businesses are forced to invest significant time and money in documenting their status as small businesses under the ACA, the rules will not be consistent with Congress' intent for this provision of the law. Similarly, large businesses that are already providing qualified health plans to their employees should not be required to develop entirely new reporting systems simply to document their compliance with the requirements; there should be flexibility for large employers to provide documentation of their compliance.

Thank you for your swift attention to this critically important issue.

Sincerely,




Al Franken  
United States Senator



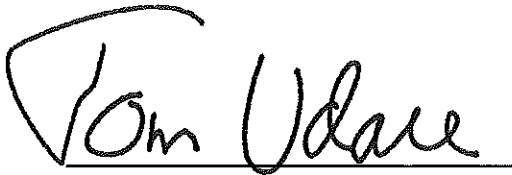
Mary L. Landrieu  
United States Senator



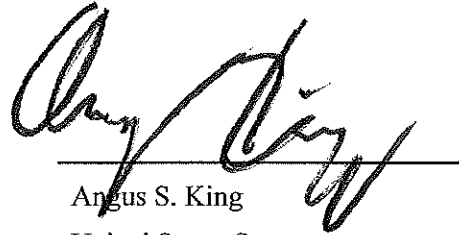
Christopher A. Coons  
United States Senator



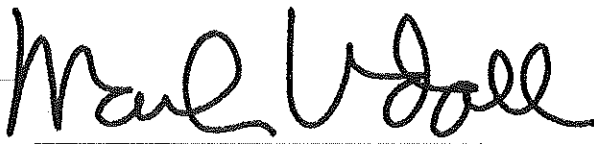
Mark Begich  
United States Senator



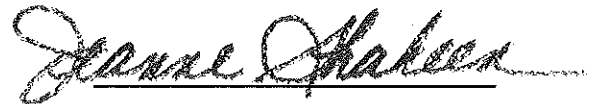
Tom Udall  
United States Senator



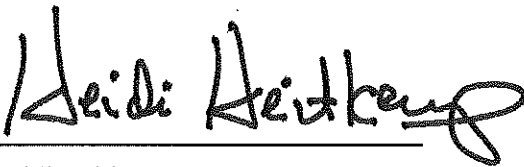
Angus S. King  
United States Senator



Mark Udall  
United States Senator



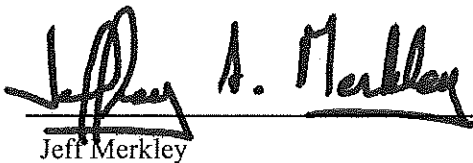
Jeanne Shaheen  
United States Senator



Heidi Heitkamp  
United States Senator



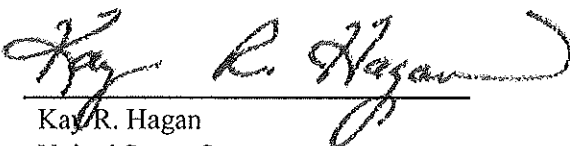
Joe Donnelly  
United States Senator



Jeff Merkley  
United States Senator



Mark R. Warner  
United States Senator



Kay R. Hagan  
United States Senator